

77 04223

Proposed
Crockett-Valona Sanitary District
Contra Costa County, California
\$700,000
1977 Sewer Bonds, Series A
General Obligation



Sale: July 6, 1977
Bartle Wells Associates

77 04223

INSTITUTE OF GOVERNMENT/
STUDIES LIBRARY

AUG 15 2024

UNIVERSITY OF CALIFORNIA

NEW ISSUE:
Sale Date: July 6, 1977

CROCKETT-VALONA SANITARY DISTRICT
CONTRA COSTA COUNTY, CALIFORNIA
\$700,000 1977 SEWER BONDS, SERIES A
GENERAL OBLIGATION

The bonds described in the Official Statement are general obligations of the Crockett-Valona Sanitary District, a special district organized under the laws of the State of California to provide for the collection, treatment, and disposal of sewage. Bond proceeds will be used to finance: a share of the capacity in the California and Hawaiian Sugar Company sewage treatment plant, collection sewer improvements, interceptor sewer construction, and other sewerage facility design and construction. To secure payment of principal and interest on the bonds, the Crockett-Valona Sanitary District is empowered to levy ad valorem taxes upon all taxable property in the district, without limitation as to rate or amount. The district intends to pay a portion of bond service on the first three maturities from water pollution control grant proceeds. The district intends to pay all other bond service from districtwide property taxes.

Bonds Dated: July 1, 1977

Denomination: \$5,000

Due: July 1, as shown below:

Year	Amount	Rate	Yield or Price	Year	Amount	Rate	Yield or Price
1980	\$75,000	%	%	1989	\$25,000	%	%
1981	75,000			1990	25,000		
1982	75,000			1991	25,000		
1983	25,000			1992	25,000		
1984	25,000			1993	25,000		
1985	25,000			1994	50,000		
1986	25,000			1995	50,000		
1987	25,000			1996	50,000		
1988	25,000			1997	50,000		

**INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY**

JUN 27 1977

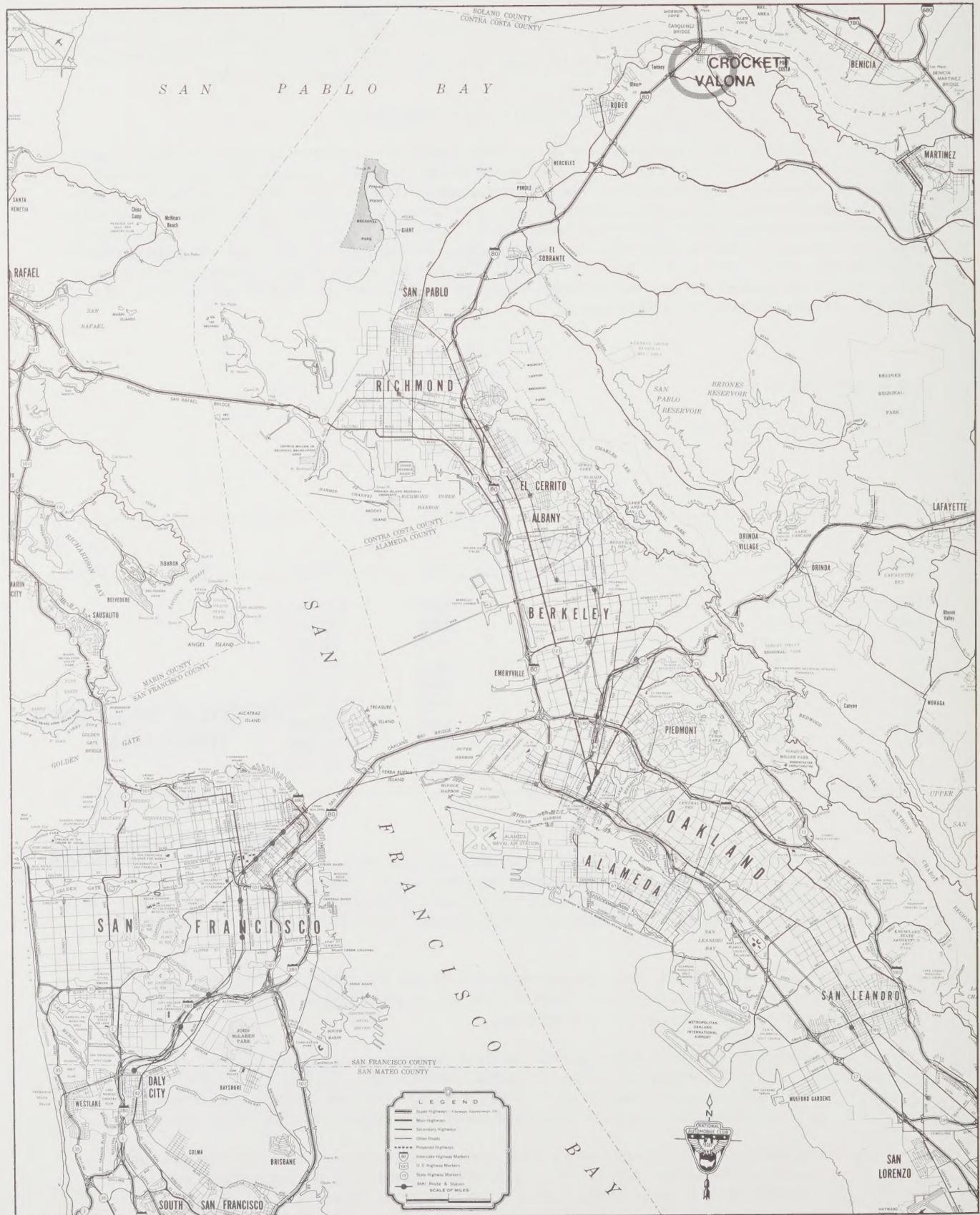
The bonds are coupon bonds, payable to bearer, registrable as to both principal and interest only, with provision for deregistration. Principal is payable annually beginning July 1, 1980, and interest is payable July 1, 1978, and semiannually thereafter on January 1 and July 1, at the office of the Treasurer of the County of Contra Costa, in Martinez, California, or at the principal office of Bank of America N. T. & S. A. in San Francisco, California.

Bonds maturing on or before July 1, 1987 (bonds numbered 1-70) are not callable prior to maturity. Bonds maturing on or after July 1, 1988 (bonds numbered 71-140) are callable pursuant to the terms stated in the Official Notice of Sale, including payment of a premium.

Crockett-Valona Sanitary District is offering these bonds for delivery when, as, and if issued, subject to the legal opinion of Orrick, Herrington, Rowley & Sutcliffe, bond counsel, San Francisco, approving the validity of the bonds and stating that interest on the bonds is exempt from present federal income taxes and from California personal income taxes under existing statutes, regulations, and court decisions.

Terms and conditions of the offering are fully set forth in the Official Notice of Sale dated May 18, 1977. Bids will be received on Wednesday, July 6, 1977 at Bartle Wells Associates, 100 Bush Street, 28th Floor, San Francisco, California, up to and including 11:00 a.m. Pacific Time. Bids will not be accepted at less than par. Following acceptance of a bid, information on the bond coupon rates and reoffering prices will be imprinted in the spaces provided on this page.

This page supplements the accompanying Official Statement dated May 18, 1977.



Copyright National Automobile Club

4
OFFICIAL STATEMENT OF

CROCKETT-VALONA SANITARY DISTRICT
Contra Costa County, California

Formed August 25, 1953

BOARD OF DIRECTORS

Baptiste Simontacchi, *President*
Arthur Del Agostino, *Secretary-Treasurer*
Samuel Belletti
Jon Wolthuis
Antone Dowrello (Deceased)

M. A. Roque, *Attorney*

PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe,
San Francisco, *Bond Counsel*
Trotter-Yoder & Associates,
Lafayette, *Engineering Consultants*
Bartle Wells Associates, San Francisco,
Municipal Financing Consultants

This Official Statement provides information
about the issuer and its bonds. The Official
Statement includes:

1. Data supplied by the issuer and by others,
as indicated herein;
2. Estimates or projections which may or
may not be realized and which should not be
construed as assertions of fact; and
3. Summaries and descriptions of legal and
financial documents, or their contents, which
do not purport to describe such documents
completely and which are made expressly sub-
ject to the full provisions of the documents
cited.

This Official Statement does not constitute
a recommendation, express or implied, to
purchase or not to purchase these bonds or
any other bonds of the issuer. THE DATE OF
THIS OFFICIAL STATEMENT IS MAY 18, 1977.

Prepared for the issuer by:

BARTLE WELLS ASSOCIATES
Municipal Financing Consultants
100 Bush Street
San Francisco, CA 94104 (415) 981-5751

Sewage disp. Crockett area
Public works Finance
Local finance Crockett area
Investments Public secur.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
THE BONDS	2
THE PROJECT	5
Project Facilities	5
Project Costs	6
California and Hawaiian Sugar Company Financing	8
Joint Use Agreement	8
THE DISTRICT	11
District Organization	11
Revenues and Expenditures	11
San Pablo Sanitary District	12
Service Accounts	16
Debt Limits	17
Outstanding Debt	20
Assessed Valuation	22
Tax Rates and Limitations	24
Tax Collection and Delinquencies	25
Largest Taxpayers	25
Litigation	26
Labor Relations/Pension Obligations	26
Insurance	27
THE LOCAL ECONOMY	28
Location	28
Population, Income, and Housing	28
Employment	28
Building Activity	30
Transportation	30
Community Facilities	31
APPENDIX A	

INTRODUCTION

This Official Statement furnishes information regarding the sale of \$700,000 1977 Sewer Bonds, Series A, general obligation, by the Crockett-Valona Sanitary District. The bonds were authorized in an election held March 8, 1977 by a vote of 475 yes to 130 no.

Bond proceeds will be used to purchase a share of capacity in a nearly completed California and Hawaiian (C&H) Sugar Company sewage treatment plant. Bond proceeds will also be used to upgrade collection lines, upgrade other sewerage facilities, build interceptors, fund engineering studies, and provide for cash flow and contingency funds.

The Crockett-Valona Sanitary District is empowered to cause to be levied ad valorem taxes upon all taxable property in the district, without limitation as to rate or amount, for payment of principal and interest on the bonds. The district intends to pay bond service from districtwide property taxes, except for \$200,000 of principal to fund cash flow during construction which will be reimbursed from state and federal water pollution control grants.

The California and Hawaiian Sugar Company's Crockett sugar refinery, on whose premises the sewage treatment plant is located, borders the district on the north. The refinery is located outside the boundaries of the district. Although employment figures are not available, the sugar refinery is believed to be the largest single employer of residents of the district.

This Official Statement presents a brief description of the bonds, the project, and the district.

This introduction is not a summary of the Official Statement. Information presented in this section is treated more completely elsewhere in this Official Statement, which should be read in its entirety.

THE BONDS

Crockett-Valona Sanitary District \$700,000 1977 Sewer Bonds, Series A, general obligation.

Date: July 1, 1977

Denomination: \$5,000

Estimated Annual Bond Service:

CROCKETT-VALONA SANITARY DISTRICT
ESTIMATED ANNUAL BOND SERVICE
\$700,000 1977 SEWER BONDS, SERIES A

Year	Principal Maturing July 1	Interest Estimated At 6.5%*	Estimated Annual Bond Service
1977	\$ --	\$ --	\$ --
1978	--	45,500	45,500
1979	--	45,500	45,500
1980	75,000	45,500	120,500
1981	75,000	40,625	115,625
1982	75,000	35,750	110,750
1983	25,000	30,875	55,875
1984	25,000	29,250	54,250
1985	25,000	27,625	52,625
1986	25,000	26,000	51,000
1987	25,000	24,375	49,375
1988	25,000	22,750	47,750
1989	25,000	21,125	46,125
1990	25,000	19,500	44,500
1991	25,000	17,875	42,875
1992	25,000	16,250	41,250
1993	25,000	14,625	39,625
1994	50,000	13,000	63,000
1995	50,000	9,750	59,750
1996	50,000	6,500	56,500
1997	50,000	3,250	53,250
	<u>\$700,000</u>	<u>\$495,625</u>	<u>\$1,195,625</u>

*Bond interest has been estimated at the annual rate shown. Actual coupon rates will be set by competitive bid, and may vary from the annual rate estimated. As a result, both interest and bond service may differ from the annual amounts estimated.

Interest: Coupons payable July 1, 1978 and semiannually thereafter on January 1 and July 1.

Redemption: Bonds maturing 1980-1987 (\$350,000, principal amount) not callable. Bonds maturing 1988-1997 (\$350,000, principal amount) callable as a whole or in part on any interest payment date on or after July 1, 1987, in inverse order of maturity and by lot within each maturity. Premium is 1/4 of 1 percent for each year or portion of each year from date of redemption to date of maturity, with a maximum of 2 percent.

Registration: Coupon bonds, registrable as to both principal and interest only, with provision for deregistration.

Payment: At the office of the Treasurer of the County of Contra Costa, in Martinez, California or at the principal office of Bank of America N.T. & S.A., San Francisco, California.

Tax Status: In the opinion of bond counsel, interest is exempt from present federal income taxes and from California personal income taxes under existing statutes, regulations, and court decisions.

Authority for Issuance: \$800,000 general obligation bonds were authorized at a general election held on March 8, 1977. Series A bonds are issued under the Sanitary District Act of 1923 and pursuant to a Resolution of Issuance dated May 18, 1977.

Purpose: Bond proceeds will be used to finance sewage treatment plant capacity rights and improvements to sewerage facilities.

Security: Bonds are general obligations of Crockett-Valona Sanitary District. The Crockett-Valona Sanitary District is empowered to cause to be levied ad valorem taxes upon all taxable property in the district to pay bond principal and interest as it comes due.

Additional Bonds: After the present sale, \$100,000 of 1977 Sewer Bonds will remain authorized but unsold. The board does not presently intend to sell the remaining authorization.

In 1959 the voters of the district authorized \$300,000 of general obligation bonds. During that year \$275,000 of the bonds were sold. Currently \$25,000 of the authorization remains unsold. The district has no plans to sell these bonds in the foreseeable future.

In addition, the voters of the district in 1972 authorized \$100,000 of general obligation bonds. These bonds were authorized for a project which was subsequently changed. The bonds remain authorized but the district has no plans to sell the bonds in the foreseeable future. In the opinion of bond counsel, the purpose for the 1972 authorization is different than the current project.

Sale of the Bonds: The offering of these bonds is made in accordance with the Official Notice of Sale dated May 18, 1977. Matters discussed in this section are expressly subject to the terms and conditions of said Official Notice, to which reference should be made for further detail.

Legality for Investment: The bonds are legal investments in California for trust funds, commercial banks, trust companies, and funds of insurance companies.

Legal Opinion: The opinion of Orrick, Herrington, Rowley & Sutcliffe, bond counsel, San Francisco, California, will be furnished to the successful bidder and printed on each bond at district's expense.

The statements of law and legal conclusions set forth in this Official Statement under the heading "The Bonds" have been reviewed by bond counsel. Bond counsel's employment is limited to a review of the legal procedures required for issuance of the bonds and to the rendering of an opinion as to the validity of the bonds and the exemption of interest on the bonds from income taxation. The opinion of bond counsel will not consider or extend to any documents which bond counsel did not prepare or review, or to any agreements, representations, offering circulars, or other material of any kind concerning the bonds not mentioned in this paragraph.

Closing Documents: At the time of delivery of the bonds in addition to customary closing documents, the issuer will furnish the following documents to the successful bidder:

- o No Litigation Certificate: A certificate stating that there is no litigation pending, or in progress, affecting the validity of the bonds.
- o Certificate Concerning Official Statement: A certificate, signed by a responsible official representing the issuer, to the effect that to the best of his or her knowledge and belief, and after reasonable investigation: (a) neither the Official Statement nor any amendment or supplement thereto contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (b) since the date of the Official Statement no event has occurred which should have been set forth in an amendment or supplement, which has not been so set forth; and (c) there has been no material adverse change in the operation or financial affairs of the issuer since the date of this Official Statement.

THE PROJECT

The existing Crockett-Valona Sanitary District sewerage system consists of the following major facilities:

- o A sewer collection system serving virtually every improved property within the district's boundaries.
- o A raw waste pumping station with a force main to the sewage treatment plant.
- o A primary sewage treatment plant with a capacity of 0.55 million gallons per day which provides anaerobic digestion of sludge, chlorination of effluent, and discharge to Carquinez Strait.

The proposed wastewater treatment and disposal facilities for the Crockett-Valona Sanitary District (CVSD) are one part of a regional wastewater management program encompassing the major population areas of West Contra Costa County. The district is a member of a joint exercise of powers agency whose other members include the Cities of Richmond, Pinole, Hercules, Rodeo, and the San Pablo Sanitary District. The West County Agency, as the joint powers agency is called, recently completed a regional wastewater management program which was prepared by the firm of Metcalf and Eddy, Consulting Engineers. The program developed a facilities plan to serve as the first step in attaining federal grant funding for the West County communities extending from Richmond on the south to Crockett-Valona on the north.

The West County report recommended a three point course of action for the Crockett-Valona Sanitary District:

- o Participate in a joint wastewater treatment project with the California and Hawaiian Sugar Company (C&H).
- o Provide full secondary treatment for dry weather flows and provide separate wet weather treatment and disposal facilities as required. The district's existing sewage treatment plant will be modified to handle wet weather treatment and disposal.
- o Reduce excessive infiltration-inflow in the existing collection system.

PROJECT FACILITIES

Actual engineering design of the CVSD facilities was provided by the firm of Trotter-Yoder & Associates, Engineering Consultants. The engineer's project report, dated February 13, 1976, developed a facilities plan and estimated project costs for the following:

- o Joint treatment facilities (JTF)
- o Sewer rehabilitation program
- o Additional sewerage facilities
- o Planning and administration.

Joint Treatment Facilities - According to the district's engineer, construction on the C&H treatment facilities is now nearing completion. Current estimates indicate that the facilities should be operational by July 1977 and will enable full secondary treatment of wastewater flows. The facilities were designed to provide the capacity necessary to accept and treat an average dry weather flow of 0.3 million gallons per day (mgd) and a peak wet weather flow of 1.2 mgd from CVSD. C&H has provided the financing for the facilities and is charging the district interest at 10 percent above the prime rate for its share of the facilities cost.

Sewer Rehabilitation Program - The engineers expect that the sewer rehabilitation program will prevent storm water from entering the sewer collection system. This program includes repairs to leaking sewers, manhole improvement, storm drain connections, and diversion of house drains. The program is based on a sewer system evaluation survey completed by the district in June 1976.

Additional Sewerage Facilities - Under the facilities plan the existing primary plant will be converted to provide treatment of wet weather flows greater than could be handled directly at the joint treatment facilities (JTF). Effluent storage will be added at the existing plant. During storm periods excess wastewater will be diverted to the primary plant for treatment and storage. Following each storm period the primary plant effluent will be pumped back to the JTF for full secondary treatment and discharge into San Francisco Bay. During severe storms the storage capacity may be exceeded. In that case, primary treated effluent will be discharged directly to the bay.

Planning and Administration - Completed, on-going, and additional engineering and other studies are required to implement the sewerage program. Such reports and studies include an infiltration-inflow analysis, financing program, construction management study, final revenue program, operation and maintenance manual, and program administration.

PROJECT COSTS

The engineer has estimated the total costs of the district's facilities at \$2,507,500 as shown in the accompanying table. According to the district's engineering consultants, most of the facilities are eligible for federal and state clean water grants. Federal grants will be made available under the provisions of the Federal Water Pollution Control Act, as amended. State grants will be made available under the provisions of the California Clean Water Grant Program. For eligible facilities the grants are 75 percent from the Environmental Protection Agency and 12.5 percent from the State Water Resources Control Board. The district's

CROCKETT-VALONA SANITARY DISTRICT
ESTIMATED TOTAL PROJECT COSTS

Item	Capital Cost ¹	Estimated State/Federal Grants ¹	Local Capital Costs
Joint treatment facilities			
Share of joint treatment plant	\$ 918,000	\$ 803,300	\$114,700
Interest cost to C&H	80,000 ²	—	80,000
Sewer rehabilitation program			
Sewer system rehabilitation	217,500	186,500	31,000
Additional facilities			
Pump station modifications	464,200	398,100	66,100
Force main	24,400	20,900	3,500
Wet weather storage	530,400	454,800	75,600
Other wet weather facilities	36,000	30,900	5,100
Planning and administration			
Planning, financial, legal, and administration	237,000	145,100	91,900
Total Cost	<u>\$2,507,500</u>	<u>\$2,039,600</u>	<u>\$467,900</u>

1 - From project report by Trotter-Yoder & Associates, Engineering Consultants and J.B. Gilbert and Associates, Planning and Engineering Consultants.

2 - Based on estimates prepared by California and Hawaiian Sugar Company. Assumes district repayment to C&H by October 1977.

share of costs amounts to 12.5 percent of the grant eligible facilities plus all of the ineligible costs. Of the total capital costs of \$2,507,500, state and federal grants will fund \$2,039,600 and the district's share will be \$467,900.

Because the grants provide such a large share of the project's cost and because the grant payments are normally received several months after an expense is incurred, the district requires about \$200,000 for cash flow purposes during construction. This amount is based on a cash flow study prepared by the district in the project report. As the grant money is received, funds will be available to repay bond principal. The bond principal repayment schedule is designed to retire the \$200,000 of bond proceeds allocated for cash flow financing over the first three annual principal maturities.

USE OF BOND PROCEEDS

Facilities cost	\$467,900
Contingency	32,100
Cash flow	<u>200,000</u>
	\$700,000

CALIFORNIA AND HAWAIIAN SUGAR COMPANY FINANCING

California and Hawaiian Sugar Company financed its share of the sewage treatment plant by the sale of \$5,400,000 Pollution Control Revenue Bonds, 1977 Series A. The bonds are limited obligations of the California Pollution Control Financing Authority and are payable solely from revenues received by the authority under a lease agreement with California and Hawaiian Sugar Company. Payment of bond principal, premium, if any, sinking fund payments, and interest is unconditionally guaranteed by the company. A negotiated placement of the issue was managed by Salomon Brothers in March 1977. Crockett-Valona Sanitary District has no legal or financial obligation for repayment of these securities.

JOINT USE AGREEMENT

Crockett-Valona Sanitary District and California and Hawaiian Sugar Company executed a contract on November 9, 1976 providing for the joint use of sewerage facilities which are currently under construction. A brief explanation of the agreement is shown below. The complete text of the joint use agreement is available from the district on request.

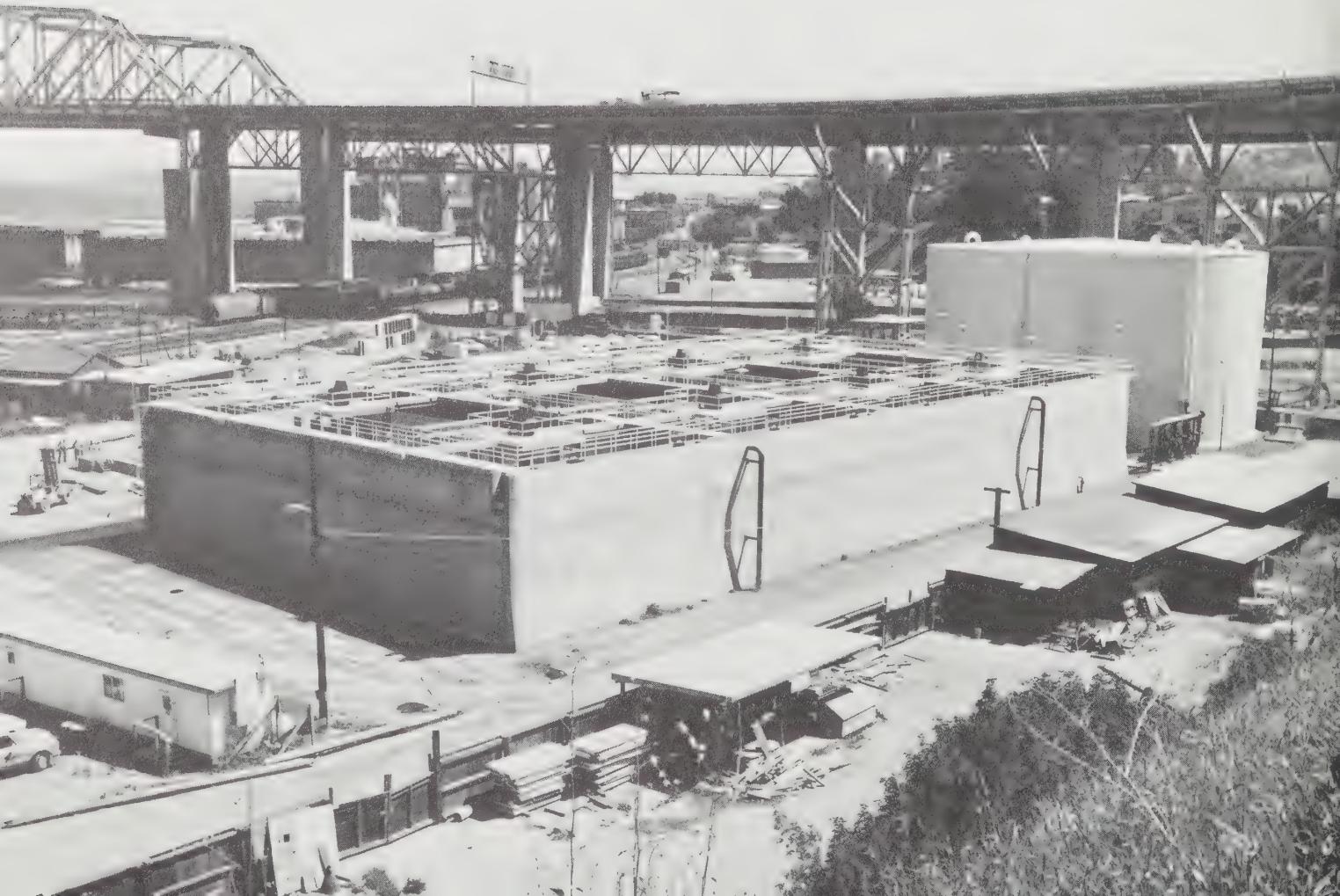
- o C&H will construct a wastewater treatment plant to serve both the company and the district.
- o C&H leases the property on which the plant is located from the State of California under Lease PRC No. 5026.1 for a term to expire on July 31, 2024.

- o C&H will assume full responsibility for the construction, operation, and maintenance of the plant including employment of personnel for a period of 30 years.
- o C&H will sublease to the district an undivided interest in the property and the plant.
- o The district will pay C&H a share of the capital costs of the plant based upon the district's design proportion of sewage flow and strength compared to the total plant design sewage flow and strength. The district's share of design sewage flow is 16.9 percent and of design sewage strength is 3.8 percent. Other factors such as peak flows, wet weather flows, and facilities for the sole use of one or another party to the agreement are also used to allocate some of the capital costs. Based on this method of allocation, the district's estimated share of treatment plant capital costs is \$998,000.
- o The district will fund its share of treatment plant capital costs from state and federal grants (about \$803,300) and from bond proceeds (about \$194,700).
- o The district will own, operate, and maintain all facilities to convey its sewage to the plant. Some of these facilities already exist. The district will apply about \$181,300 of bond proceeds to upgrade existing facilities and to construct new facilities.
- o C&H will operate and maintain the plant to produce an effluent in compliance with applicable National Pollutant Discharge Elimination System permits. Operation and maintenance (O&M) procedures shall comply with all federal, state, and local laws, rules, and regulations.
- o C&H and the district will jointly develop a sampling program to determine the strengths of each party's wastes. O&M costs will be allocated based on the monthly sewage flows and strengths as determined by the sampling program.
- o C&H will bill the district monthly for its share of expenses arising from O&M of the plant.
- o Operation and maintenance costs include the following cost categories: labor and fringe benefits (including pension benefits), power, chemicals, maintenance, materials, sludge disposal, insurance, monitoring and reporting, miscellaneous material and expenses, and general office and administrative expense. The cost for each category is shared between C&H and the district in proportion to use as described in the contract.
- o C&H will provide the district with a monthly report regarding operations, operating and maintenance expenses accrued in the preceding month, and data showing the volume of waste entering the plant as recorded by flow meters.

- o C&H and the district will jointly have full possession of the plant.
- o C&H shall provide adequate physical damage insurance, public liability insurance, and other types of insurance, as specified in the contract. Physical damage insurance will be in an amount sufficient to provide the estimated replacement cost of the plant and will name the district as an additional insured.
- o The agreement may be cancelled by either party after four years written notice. If operation of the sugar refinery at Crockett is permanently terminated, C&H will notify and offer to relinquish the plant to the district on the date that the refinery operation would be terminated.
- o In the event of damage to the plant by fire, earthquake, or other casualty, C&H will promptly restore the property damaged or destroyed.

A sewage treatment plant is under construction by the California and Hawaiian Sugar Company to serve both the company and the Crockett-Valona Sanitary District. Construction on the treatment facilities is now nearing completion. Current estimates indicate that the treatment plant should be operational by July 1977.

(Photo by John F. Kelly, Jr.)



THE DISTRICT

DISTRICT ORGANIZATION

The Crockett-Valona Sanitary District was formed on August 25, 1953 under the provisions of the California Sanitary District Act of 1923. The district serves the unincorporated communities of Crockett and Valona in Contra Costa County, an area of about three square miles.

A five-member board of directors governs the district. The district's board members are elected on a staggered basis for four year terms. A brief biography of each board member follows:

Baptiste Simontacchi, President - Mr. Simontacchi, a resident of Crockett for 60 years, has served on the Crockett-Valona Sanitary District Board of Directors since 1955. He has also served as a fire commissioner and park and recreation director in Crockett. Mr. Simontacchi is a retired retail merchant and is a past international director of the Lions Club.

Arthur Del Agostino, Secretary - Mr. Del Agostino is a construction superintendent for California and Hawaiian Sugar Company. He has resided in the Crockett area for the past 45 years and has served on the board since 1962.

Samuel Belleci, Member - Mr. Belleci has served on the board of directors since 1958. He is retired from California and Hawaiian Sugar Company and has lived in the Crockett area since 1908. Mr. Belleci also serves as a fire commissioner.

Jon Wolthuis, Member - Mr. Wolthuis is a supervisory accountant at California and Hawaiian Sugar Company. A resident of Crockett for 32 years, Mr. Wolthuis was appointed to the board of directors in 1976.

Antone Dowrelio, (Deceased) - Mr. Dowrelio was the owner of a local yacht harbor and lived in Crockett for over 60 years. Mr. Dowrelio served on the Crockett-Valona Sanitary District Board of Directors from 1953 until his recent death. The board of directors may recommend a new director to serve the duration of Mr. Dowrelio's term.

The district has no staff employees. The district contracts with the San Pablo Sanitary District for operation and maintenance of its existing treatment plant and sewer collection system. An explanation of the contract appears in a following section.

REVENUES AND EXPENDITURES

The district uses the modified accrual basis of accounting. The financial report complies with the State of California's Uniform System of Accounts

for Wastewater Agencies and in accordance with generally accepted accounting principles. The tables on the following pages present in summary form revenue and expenditure data and balance sheet information for the district. The tables were prepared by Bartle Wells Associates from annual audits prepared for the district by independent certified public accountants, Heruth, McNeely & Bohren, Martinez, California. Complete copies of the audited financial reports and the auditor's opinion may be obtained from the district or from the auditor.

The succeeding table shows the district's 1976/77 budget and projected revenues and expenditures for the next five years based on data provided by Trotter-Yoder & Associates, the district's engineering consultants. Property taxes and service charges are the district's primary sources of revenue. For fiscal year 1976/77, the district levied a tax of \$0.90 per \$100 of assessed valuation (A.V.) and a service charge of \$3.00 per month per single family dwelling or equivalent for its sewer operations. The district also levied a bond tax of \$0.18 per \$100 of A.V. for payment of its outstanding sewer bonds.

Amounts shown for fiscal year 1977/78 are based on the preliminary budget adopted by the district. For fiscal year 1977/78, the estimated operations tax rate and service charge are estimated to remain at about \$0.90 per \$100 of assessed valuation and \$3.00 per month per dwelling respectively. The bond tax is estimated at \$0.17 per \$100 A.V. Both tax rates are based on an assumed 6 percent annual assessed valuation increase. The property tax levy is expected to increase about 5 percent per year during the five-year period beginning in 1977/78. Service charges are expected to increase to about \$9.60 per month per single family dwelling in 1979/80. Large increases in operation and maintenance expenses are shown beginning in fiscal year 1979/80 when the new facilities are expected to start operation. The large increase in service charges is due to federal and state regulations requiring a system of sewer service charges for certain expenses (not general obligation bonds) of districts which receive state and federal clean water grants.

SAN PABLO SANITARY DISTRICT

The district signed a contract on April 30, 1974 with the San Pablo Sanitary District (SPSD) providing that the SPSD operate and maintain the district's sewage treatment plant and sewage collection system. The contract initially provided for monthly payments to SPSD of \$2,960 per month. This amount may be adjusted annually in April of each year. The current monthly charge is \$3,860 per month.

For work performed outside of regular working hours or other work outside the scope of the contract, additional cost is charged on a time and materials basis. The San Pablo Sanitary District submits a monthly report on the operations of the Crockett-Valona Sanitary District facilities, any additional services provided, and other unspecified occurrences.

CROCKETT-VALONA SANITARY DISTRICT
CONSOLIDATED STATEMENTS OF REVENUE AND EXPENDITURES, AS OF JUNE 30¹

	1972	1973	1974	1975	1976
Revenues					
Property taxes secured and unsecured	\$60,500	\$64,900	\$55,700	\$ 54,800	\$ 59,800
User charges	--	--	--	45,600	45,700
State property tax subventions	6,400	6,200	15,100	15,300	15,300
C&H user charge	6,400	8,500	11,600	11,900	13,400
Miscellaneous	100	400	1,400	2,000 ²	1,500 ²
Total Revenues	\$73,400	\$80,000	\$83,800	\$129,600	\$135,700
Expenditures					
Salaries, wages, and fringe benefits	\$24,500	\$25,600	\$21,500	\$ 4,800	\$ 4,500
Administration and office expense	8,000	14,300	8,200	29,900	38,300
Maintenance and operation	20,600	23,900	35,300	57,300	69,300
Bond service	17,900	17,500	16,900	16,900	16,200
Total Expenditures	\$71,000	\$81,300	\$81,900	\$108,900	\$128,300
Excess	\$ 2,400	\$ (1,300)	\$ 1,900	\$ 20,700	\$ 7,400

¹ - All financial data rounded to the nearest \$100.

² - Includes sewer user charge from John Swett Unified School District.

Source: Prepared by Bartle Wells Associates from audited financial reports by Heruth, McNeely & Bohren, Certified Public Accountants, Martinez.

CROCKETT-VALONA SANITARY DISTRICT
CONSOLIDATED BALANCE SHEET, AS OF JUNE 30

	1972	1973	1974	1975	1976
<u>Assets</u>					
Plant and equipment, at cost					
Land	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700
Equipment	6,400	6,400	11,600	11,500	11,700
Sewage disposal	561,100	561,100	561,100	565,100	565,100
Garage	8,900	8,900	8,900	8,900	8,900
Subtotal	<u>\$578,100</u>	<u>\$578,100</u>	<u>\$583,300</u>	<u>\$587,200</u>	<u>\$587,400</u>
Less: allowance for depreciation					
Subtotal Plant and Equipment	<u>\$38,300</u>	<u>\$514,300</u>	<u>\$494,100</u>	<u>\$464,400</u>	<u>\$426,700</u>
Cash in treasury	27,800	31,600	29,000	46,500	53,600
Deferred bond sale expenses	1,900	1,800	1,700	1,500	1,400
Total Assets	<u>\$568,000</u>	<u>\$547,700</u>	<u>\$524,800</u>	<u>\$512,400</u>	<u>\$481,700</u>
<u>Liabilities, Reserve, and Surplus</u>					
Long-term bond obligation	\$180,000	\$170,000	\$160,000	\$150,000	\$140,000
Surplus					
Consolidated operation surplus	139,600	148,200	160,200	181,200	188,800
Construction surplus	248,400	229,500	204,600	181,200	152,900
Total Liabilities, Reserve, and Surplus	<u>\$568,000</u>	<u>\$547,700</u>	<u>\$524,800</u>	<u>\$512,400</u>	<u>\$481,700</u>

Source: Prepared by Bartle Wells Associates from audited financial reports by Heruth, McNeely & Bohren, Certified Public Accountants, Martinez.

CROCKETT-VALONA SANITARY DISTRICT
PROJECTED REVENUES AND EXPENDITURES¹

	1976/77 ²	1977/78 ³	1978/79	1979/80	1980/81	1981/82
Revenues						
Property taxes (Including subventions)	\$ 93,200	\$ 95,500	\$ 98,000	\$100,000	\$105,000	\$112,000
User charges	56,800	56,500	57,000	160,000	167,000	168,000
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>76,000⁴</u>	<u>76,000⁴</u>
Total Revenues	<u>\$151,000</u>	<u>\$153,000</u>	<u>\$156,000</u>	<u>\$261,000</u>	<u>\$348,000</u>	<u>\$356,000</u>
Expenditures						
Operation, maintenance, and administration	\$108,400 ⁵	\$109,500 ⁵	\$ 90,000	\$168,000	\$180,000	\$193,000
Bond service existing bonds	15,800	15,400	15,000	14,500	14,100	13,700
Bond service 1977 Series A	<u>--</u>	<u>--</u>	<u>45,500</u>	<u>45,500</u>	<u>120,500</u>	<u>115,700</u>
Capital expenditure ⁶	<u>5,000</u>	<u>6,000</u>	<u>4,000</u>	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>
Total Expenditures	<u>\$129,200</u>	<u>\$130,900</u>	<u>\$154,500</u>	<u>\$260,000</u>	<u>\$346,600</u>	<u>\$354,400</u>
Net Revenue	\$ 21,800	\$ 22,100	\$ 1,500	\$ 1,000	\$ 1,400	\$ 1,600

¹ - Prepared by Bartle Wells Associates based on Trotter-Yoder & Associates project report.

² - Current year's budget.

³ - Fiscal year 1977/78 figures are from district's preliminary budget.

⁴ - Available from grant proceeds.

⁵ - Includes \$21,000 professional services mostly associated with project.

⁶ - Does not include capital expenditures for project.

The contract is in force until terminated. The contract may be terminated by either party on June 30 of any year by a written notice of intent to terminate to the other party on or before April 30.

A copy of the contract is available from the Crockett-Valona Sanitary District upon request. The above summary is provided for information.

SERVICE ACCOUNTS

The engineering report shows the following list of sewer users within the Crockett-Valona Sanitary District.

The engineering report estimates about 5 percent of the district's sewage flow is from commercial establishments and that 15 percent of the flow is from C&H Sugar Company non-industrial flows. C&H treats its own industrial wastes.

CROCKETT-VALONA SANITARY DISTRICT SEWER USER DESCRIPTION

	Number	Percent of District Flow
Residential		
Single family dwellings	790	
Multiple family dwellings	300	80%
Commercial		
Hotels and motels	3	
Dining facilities and bars	7	
Retail stores	20	
Medical and dental buildings	2	
Mortuary	1	
Office buildings and library	2	
Churches and halls	3	
Schools	2	
Service stations	2	
Barber shops and beauty parlors	4	
Laundromat	1	
Special		
Domestic wastes from C&H	1	15
Industrial		
None to district	0	--



The unincorporated communities of Crockett and Valona are located at the entrance of the Carquinez Straits in Contra Costa County. The California and Hawaiian Sugar Company's refinery, shown in the foreground of the photo, is the largest employer in Crockett, and is located adjacent to the Crockett-Valona Sanitary District. Excellent transportation facilities serve the area. A main line of the Southern Pacific Railroad runs along the northern edge of Crockett. Interstate 80 connects Crockett to San Francisco and Oakland in the south and to Sacramento in the north.

(Pacific Resources, Inc. photo.)

DEBT LIMITS

California law empowers a sanitary district to borrow money, incur indebtedness, guarantee the performance of its legal or contractual obligations, and to refund or retire any indebtedness or lien against the district or its property. The outstanding general obligation bonds of the district cannot exceed 20 percent of the assessed value of the real and personal property of the district. Based on the 1976/77 assessed valuation, the current ratio of bonded indebtedness to assessed valuation is 1.51 percent. Following issuance of these bonds the ratio would increase to 9.66 percent. General obligation bond authorization requires a two-thirds majority of the votes cast at an election to be in favor of incurring indebtedness. Issuance of either revenue or refunding bonds requires authorization by a majority of the electorate voting on the measure. The district may borrow funds from a private lending agency provided it repays the debt from the current year's tax levy.



OUTSTANDING DEBT

The district currently has \$130,000 outstanding on \$275,000 of general obligation sewer bonds issued in 1959. The accompanying table shows the estimated combined annual bond service on the outstanding bonds and the \$700,000 Series A issue.

The accompanying table shows direct and overlapping debt for the Crockett-Valona Sanitary District as of July 6, 1977. The table was prepared by Bartle Wells Associates from data supplied by California Municipal Statistics, Inc.

CROCKETT-VALONA SANITARY DISTRICT COMBINED ESTIMATED ANNUAL BOND SERVICE

Fiscal Year	Estimated Bond Service*	Actual Bond Service	Total Bond Service
	\$700,000 G.O. Sewer Bonds, 1977, Series A	\$275,000 G.O. Sewer Bonds, 1959	
1977/78	\$ --	\$ 15,372.50	\$ 15,372.50
1978/79	68,250.00	14,947.50	83,197.50
1979/80	45,500.00	14,522.50	60,022.50
1980/81	118,062.50	14,097.50	132,160.00
1981/82	113,187.50	13,672.50	126,860.00
1982/83	108,312.50	13,247.50	121,560.00
1983/84	55,062.50	12,822.50	67,885.00
1984/85	53,437.50	12,397.50	65,835.00
1985/86	51,812.50	11,972.50	63,785.00
1986/87	50,187.50	11,540.00	61,727.50
1987/88	48,562.50	11,100.00	59,662.50
1988/89	46,937.50	10,660.00	57,597.50
1989/90	45,312.50	10,220.00	55,532.50
1990/91	43,687.50	--	43,687.50
1991/92	42,062.50	--	42,062.50
1992/93	40,437.50	--	40,437.50
1993/94	38,812.50	--	38,812.50
1994/95	61,375.00	--	61,375.00
1995/96	58,125.00	--	58,125.00
1996/97	54,875.00	--	54,875.00
1997/98	51,625.00	--	51,625.00
	\$1,195,625.00	\$166,572.50	\$1,362,197.50

*Bond service has been estimated based on 6.5% interest rate.

CROCKETT-VALONA SANITARY DISTRICT
DIRECT AND OVERLAPPING DEBT

	Percent Applicable	Debt Applicable July 6, 1977
San Francisco Bay Area Rapid Transit District	0.078%	\$ 563,765
Contra Costa County and authorities	0.272	7,276
East Bay Municipal Utility District	0.182	255,410
Contra Costa Community College District Authority	0.272	6,990
Crockett-Valona County Water District	92.483	652,005
Crockett-Valona Sanitary District	100.000	830,000*
Total Gross Direct and Overlapping Bonded Debt		\$2,315,446
Less: EBMUD (100% self-supporting)		255,410
Total Net Direct and Overlapping Bonded Debt		\$2,060,036

	Ratios to:		
	1976/77 A. V. (\$8,594,898)	Estimated	1975
		Market Value (\$37,696,921)	Population (3,024)
Direct debt	(\$ 830,000)	9.66%	2.20%
Gross debt	(\$2,315,446)	26.94	6.14
Net debt	(\$2,060,036)	23.97	5.46

Share of Authorized and Unsold Bonds:

Crockett-Valona Sanitary District	\$125,000
EBMUD	56,420

*Includes \$700,000 bonds to be sold July 6, 1977.

Source: Compiled by Bartle Wells Associates in cooperation with California
Municipal Statistics, Inc.

ASSESSED VALUATION

The 1976/77 assessed valuation of the Crockett-Valona Sanitary District is \$8,594,898, including the homeowners' and business inventory exemptions. The accompanying table shows a detail of the district's 1976/77 assessed valuation.

California law requires that all property subject to taxation be assessed at 25 percent of full market value. The Contra Costa County Assessor assesses all property within the county, except utility property which is assessed by the state. The State Board of Equalization reports that locally assessed property is assessed at 22.8 percent of its full market value. Utility property is assessed at 25 percent of full market value. Under California law, 50 percent of the assessed valuation of business inventories is exempt from taxation. Owner-occupied dwelling units also have a current tax exemption of \$7,000 of the full cash value which is equivalent to \$1,750 of assessed valuation. Revenues lost to a taxing entity due to these two exemptions are fully reimbursed by a state subvention.

Since fiscal year 1972/73, the district assessed valuation has increased at an average annual rate of 13.6 percent. Most of the increase occurred in 1976/77 when the district assessed valuation increased more than 42 percent over the previous year. The increase was due to a reappraisal of property by the Contra Costa County Assessor. The accompanying table shows a five-year history of the district's assessed valuation.

CROCKETT-VALONA SANITARY DISTRICT DETAIL OF 1976/77 ASSESSED VALUATION

	Secured Valuation	Utility Valuation	Unsecured Valuation	Total
Land	\$1,995,680	\$ 8,480	\$ --	\$2,004,160
Improvements	5,780,805	373,140	52,050	6,205,995
Personal property	78,590	358,900	108,413	545,903
Total	\$7,855,075	\$740,520	\$160,463	\$8,756,058
Less:				
Nonreimbursable exemptions	156,160	--	5,000	161,160
Total Taxable Valuation	\$7,698,915	\$740,520	\$155,463	\$8,594,898

Source: Contra Costa County Auditor-Controller.

CROCKETT-VALONA SANITARY DISTRICT
ASSESSED VALUATIONS

Fiscal Year	Net Secured Valuation	Net Unsecured Valuation	Net Utility Valuation	State Reimbursed Exemptions	Total Taxable Valuation
1972/73	\$4,168,633	\$140,981	\$607,880	\$ 464,625	\$5,382,119
1973/74	3,533,901	120,640	614,120	1,140,270	5,408,931
1974/75	3,556,922	99,022	678,480	1,178,678	5,513,102
1975/76	3,991,885	134,105	682,930	1,205,329	6,014,249
1976/77	6,508,893	133,373	740,520	1,212,112	8,594,898

Source: Contra Costa County Auditor-Controller.

TAX RATES AND LIMITATIONS

California law limits the property tax rate that the district may levy for all district purposes, except for payment of bond principal and interest, to \$1.00 per \$100 of assessed valuation. The district levied the maximum tax rate of \$1.00 for operations from fiscal year 1971/72 to fiscal year 1975/76. During fiscal year 1976/77 the district lowered the tax rate to \$0.90.

Crockett-Valona Sanitary District currently levies a total tax of \$1.08 per \$100 of assessed valuation within its service area. Of this total levy, \$0.90 supports the district's sewer operations and \$0.18 is a general obligation bond tax for the district's outstanding bonds.

There are eight tax code areas with the district. Tax Code Area 62006, with a 1976/77 assessed valuation of \$7,753,828, is the largest in size and has a 1976/77 total tax rate of \$9.719 per \$100 of assessed valuation. Tax rate components for Code Area 62006 are shown in the following table. Total tax rates within the Crockett-Valona Sanitary District range from \$8.722 to \$9.719 per \$100 of assessed valuation.

CROCKETT-VALONA SANITARY DISTRICT TAX CODE AREA 62006 TOTAL 1976/77 TAX RATES

	Tax Rate Per \$100 of Assessed Valuation
County	\$2.719
Schools	.019
Crockett-Carquinez Fire District	.331
County Service Area L-46, P-1	.319
Contra Costa Flood Control District	.020
County Water Agency	.004
Mosquito abatement	.017
Crockett-Valona Sanitary District	1.080
Crockett-Valona Water District bonds	.598
East Bay Municipal Water District	.140
Bay Area Rapid Transit District	.478
Bay Area Air Pollution District	.015
East Bay Regional Park	.219
Schools service fund	.230
John Swett Unified School District	2.810
Contra Costa Community College District	.720
Total	<u>\$9.719</u>

Source: Contra Costa County Tax Collector.

TAX COLLECTION AND DELINQUENCIES

Since fiscal year 1950/51, Contra Costa County has operated under the provisions of Sections 4701-4717 of the California Revenue and Taxation Code. These sections provide an alternate method of apportioning taxes whereby all agencies levying taxes on the county roll receive 100 percent of their total tax levy at the time they are levied. The tax position of the county treasury is protected by a special fund accumulated from delinquency penalties and gains from tax sales.

Under this method of apportioning taxes the county treasurer guarantees each taxing agency the full amount of its tax levy. Payment is made in November following rendering of tax bills, but prior to the delinquency date of the first installment. As shown on the accompanying table, delinquencies on secured taxes payable within the Crockett-Valona Sanitary District have averaged less than 0.8 percent of the secured tax levy since 1972/73. Information about delinquencies on other components of the total tax levy are not available.

CROCKETT-VALONA SANITARY DISTRICT TAX LEVIES AND DELINQUENCIES - OPERATING FUND¹

Fiscal Year	Secured Tax Levy	Secured Tax Delinquency ²	
		June 30	Percent of Roll
1972/73	\$47,824.93	\$235.40	0.49%
1973/74	41,313.33	270.16	0.65
1974/75	42,230.57	335.77	0.80
1975/76	46,742.10	520.02	1.11
1976/77	64,977.39	--	--

1 - Does not include tax levy for general obligation bond service.

2 - Under the provisions of Sections 4701-4717, California Revenue and Taxation Code, the district receives 100% of the levy regardless of the delinquency rate.

Source: Contra Costa County Auditor-Controller.

LARGEST TAXPAYERS

The following table shows the ten largest taxpayers within the Crockett-Valona Sanitary District.

CROCKETT-VALONA SANITARY DISTRICT
TEN LARGEST TAXPAYERS

Taxpayer	Total Assessed Valuation*
Pacific Telephone and Telegraph Company	\$ 436,270
California and Hawaiian Sugar Company	268,510
Pacific Gas and Electric Company	237,430
Carnati Company	101,925
Standard Pacific Gas Line, Inc.	54,970
Baptiste Simontacchi and Jack Poggi	43,025
Ralph and Mary Pagni	38,375
Crockett Parks and Recreation Association	37,640
Delbert J. and Emma M. Hosselkus	35,765
Mary Mountinho et al	34,500
Total	\$1,288,410

*Does not include homeowners' and business inventory exemptions.

Source: Compiled by Bartle Wells Associates from records of the Contra Costa County Assessor and the State Board of Equalization.

Pacific Telephone Company, the California and Hawaiian Sugar Company, and Pacific Gas and Electric Company are the district's three largest taxpayers. The Carnati Company, Standard Pacific Gas Line, Inc., and two individuals are the next largest taxpayers. Generally, the remaining largest taxpayers are homeowners who also own additional property within the district.

LITIGATION

In the opinion of the district's general counsel, the Crockett-Valona Sanitary District is not involved in any present or pending litigation which would affect the district's ability to pay all sums which the district is obligated to pay resulting from the issuance of these bonds.

LABOR RELATIONS/PENSION OBLIGATIONS

The Crockett-Valona Sanitary District has no staff employees and no direct pension obligations. However, the district's operating contracts with the San Pablo Sanitary District and the California and Hawaiian Sugar Company require the district to share costs based in part on labor and fringe benefits including pensions. Therefore, the district's operating costs will to some degree indirectly reflect pension costs.

INSURANCE

The following table shows insurance coverage maintained by the district.

CROCKETT-VALONA SANITARY DISTRICT INSURANCE COVERAGE, JUNE 30, 1976

Type of Insurance	Limit of Coverage
Comprehensive general liability	
Bodily injury	
Automobile	\$250,000 ¹ /500,000 ²
Nonautomobile	250,000/500,000
Uninsured motorist	15,000/ 30,000
Property damage, automobile and nonautomobile	100,000/100,000
Public official bond, secretary of board of directors	2,000
Fire insurance	373,000
Scheduled property floater	4,000
Complete operations coverage	250,000/500,000

1 - Per person.

2 - Per occurrence.

Source: 1975/76 audited financial report by Heruth, McNeely & Bohren, Certified Public Accountants, Martinez.

The Carquinez Bridge and Interstate 80 link Crockett to Vallejo, Solano County's largest city, and to major employers in Solano County. Mare Island Shipyard, seen in the background of the photo, employs over 10,000 military and civilian personnel. Travis Air Force Base and Benicia Industrial Park, which together employ about 16,000 persons, are within about 20 miles of Crockett.

(Pacific Resources, Inc. photo.)



THE LOCAL ECONOMY

LOCATION

Crockett is an unincorporated community located in the northwest corner of Contra Costa County adjacent to the entrance of Carquinez Straits, about 31 miles northeast of San Francisco and 8 miles west of Martinez, the county seat of Contra Costa County. The western portion of the community was frequently called "Valona" in years past and is still occasionally so designated. The community is situated at the south end of the Carquinez Bridges, which carry Interstate 80 across the straits between Contra Costa and Solano Counties. The community is separated from adjoining areas by San Pablo Bay on the west and Carquinez Straits on the north, and hills separate Crockett from the cities of Martinez (eight miles east) and Rodeo (three miles south).

POPULATION, INCOME, AND HOUSING

The population in Crockett was estimated at 3,024 in 1975, a decrease of about 300 since 1970. U.S. Census Tract 3570 includes 1,247 households in Crockett and another 101 households in Port Costa. In 1975 the Contra Costa County Special Census indicated that about 32 percent of the households in Census Tract 3570 have lived at the same address for 15 or more years. Within Crockett, the median number of years that households have lived in the same dwelling unit is 12.9. By comparison, the county median figure is 7.3 years.

The county special census estimated that the median family income within Crockett was \$10,934 in 1974. Income levels within Crockett were about \$4,000 lower than the county median of \$15,026. The community, however, has a higher proportion of retired residents than the county. About 22.4 percent of Crockett's population is 60 years and older, which is almost twice the county's 11.8 percent.

Sixty-five percent of the total number of housing units in Crockett were owner occupied. Residents in the community have one of the lowest monthly housing payment rates in the county. Census data indicated that 30 percent of the households in Census Tract 3570 had no mortgage debt outstanding. Within Crockett, the median monthly housing payment, which includes rent or mortgage payments plus taxes and insurance, was estimated at \$77, as compared to \$195 for the county.

EMPLOYMENT

Crockett is within commuting distance to Contra Costa County's major employers. As shown in the accompanying table, the county has over 70 industrial firms employing 100 or more persons. California and Hawaiian

Sugar Company, which employs over 1,000 persons, is located within Crockett. National firms such as U.S. Steel Corporation, Standard Oil Company of California, and Systron-Donner Corporation have plants within 20 miles of Crockett.

Locations of firms in Contra Costa County employing 500 or more persons are indicated on the centerfold map. About 45 percent of the heads of households in Census Tract 3570 work in western Contra Costa County which includes the area from Crockett and Rodeo on the north to Richmond and El Cerrito on the south.

Average annual nonagricultural employment by industry in Contra Costa County is shown in the following table. The California Employment Development Department estimates that employment in the county totaled 152,600 in 1975. State government, accounting for nearly 22 percent of the county's jobs, is the largest employer. Wholesale trade (20.5 percent) and manufacturing (17 percent) are the next largest employers.

Contra Costa County is within the San Francisco-Oakland Standard Metropolitan Statistical Area (SMSA). In 1976, the county had a lower annual unemployment rate than the SMSA, but higher than the state. The county's 1976 annual average unemployment rate was 9.9 percent, compared to 10.3 percent for the SMSA and 9.2 percent for the state.

In addition to employment opportunities in Contra Costa County, Crockett is in close proximity to major employers in Solano County. Vallejo, Solano County's largest city, is two miles from Crockett. Mare Island Shipyard is located in Vallejo and employs about 10,544 civilians and 5,391 military personnel. Travis Air Force Base, the largest installation of the Military Airlift Command, is 15 miles northeast of Vallejo and employs 3,000 civilians and 10,000 military personnel. Benicia Industrial Park, located about seven miles east of Vallejo, houses over 90 firms employing over 3,000 persons.

California and Hawaiian Sugar Company (C&H) - The C&H refinery at Crockett is the community's largest employer. The refinery is not within the sanitary district's boundaries, but as an employer of about 1,200 persons, it is an important segment of Crockett's economy. The Crockett refinery began operations in 1906. The refinery presently produces about one million tons of sugar per year.

According to published reports of the company, the California and Hawaiian Sugar Company is the second largest sugar refining and marketing company in the United States. An agricultural cooperative owned by 15 sugar producing companies, the company markets 100 percent of all cane sugar grown in Hawaii. About 800,000 tons (nearly 75 percent) of Hawaii's annual crop of raw sugar is refined at the Crockett refinery. C&H sells about 25 percent of the annual crop as raw sugar to Gulf and East Coast refiners. The company produces and packages over 100 different sugar products in the form of granulated, liquid, brown, powdered, cubelets, colored, and other sugars. Annual sales average about \$400 million.

CONTRA COSTA COUNTY
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

	Contra Costa County	
	1974	1975
Mining	300	300
Construction	10,100	10,000
Manufacturing	27,000	26,000
Nondurable goods	14,900	15,100
Durable goods	12,100	10,900
Transportation and utilities	9,900	9,400
Trade	35,900	37,600
Retail	6,200	6,300
Wholesale	29,700	31,300
Finance, insurance, and real estate	6,300	6,300
Services	26,000	26,900
Government	34,000	36,100
Federal	4,400	4,200
State	29,600	31,900
Total	<u>149,500</u>	<u>152,600</u>
Unemployment rates		
Contra Costa County	7.3%	10.5%
San Francisco-Oakland SMSA	7.6	11.0
California	7.3	9.9

Source: California Employment Development Department.

BUILDING ACTIVITY

Data on building permit and valuation in the community of Crockett, which is unincorporated, are not available. The Contra Costa County Office of Building Inspector does not disaggregate building data on its unincorporated areas.

TRANSPORTATION

Interstate 80, which connects San Francisco and Oakland with Sacramento and points east, crosses Crockett via the Carquinez Bridges. Interstate 780 connects Interstate 80 in Vallejo with Benicia, about 10 minutes east.

State Route 4, the John Muir Parkway, crosses the northern part of Contra Costa County from Interstate 80 near Pinole to Martinez and (as Arnold Industrial Highway) east to Antioch. The Cummings Skyway, a 3.7-mile county highway, connects Crockett to State Route 4.

Southern Pacific Railroad provides freight service from Crockett to the Pacific Northwest and to Los Angeles and points east.

Daily passenger rail service is available through AMTRAK at Martinez.

Scheduled airline service is available at San Francisco International Airport and Oakland International Airport, about 38 and 27 miles, respectively, from Crockett.

COMMUNITY FACILITIES

Utilities - Telephone service is provided in Crockett by Pacific Telephone Company, and gas and electric service by Pacific Gas and Electric Company. Water is provided by the East Bay Municipal Utility District.

Education - Crockett is in the John Swett Unified School District which became unified in July 1965 and serves Crockett, Selby, Port Costa, and Rodeo. The accompanying table shows a five-year history of enrollment at the Carquinez Elementary School and the John Swett High School, both located in Crockett.

Contra Costa Community College District has three campuses with more than 21,000 regular day students and about 12,200 evening students. The University of California, Berkeley; John F. Kennedy University in Martinez; and St. Mary's College in Moraga are within about a 20-mile radius of Crockett. The California Maritime Academy in Vallejo is located across the Carquinez Straits from Crockett.

CROCKETT-VALONA SANITARY DISTRICT PUBLIC SCHOOL ENROLLMENT, 1972-1976

	Carquinez Elementary School	John Swett High School
Fall 1972	480	560
Fall 1973	438	575
Fall 1974	430	601
Fall 1975	392	628
Fall 1976	414	656

Source: John Swett Unified School District.

APPENDIX A

Heruth and McNeely

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS:

WILLIAM V. HERUTH, C.P.A.
D. DEAN MCNEELY, C.P.A.

CASTRO AND GREEN STS
P. O. Box 390
MARTINEZ, CALIFORNIA 94553
(415) 228-3535

REPORT

ON EXAMINATION OF THE

BOOKS AND RECORDS OF ACCOUNTS

of the

CROCKETT-VALONA SANITARY DISTRICT

FOR THE PERIOD

JULY 1, 1975 to JUNE 30, 1976

Heruth and McNeely

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS:

WILLIAM V. HERUTH, C.P.A.
D. DEAN MCNEELY, C.P.A.
Harry E. Bohren, C.P.A.

CASTRO AND GREEN STS
P. O. Box 390
MARTINEZ, CALIFORNIA 94553
(415) 228-3535

Board of Directors
Crockett-Valona Sanitary District
Crockett, California 94252

We have examined the Balance Sheet of the Crockett-Valona Sanitary District at June 30, 1976 and the related Statements of Revenues and Expenditures and Funds Surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, except for the items described in Note 2 to the Financial Statements, which we feel is immaterial to fair presentation, the accompanying Financial Statements present fairly the financial position of the various funds of the Crockett-Valona Sanitary District at June 30, 1976 and the results of operations for the year then ended, in conformity with generally accepted accounting principles as applied to Governmental entities, on a basis consistent with that of the preceding year.

Heruth, McNeely & Bohren
HERUTH, MCNEELY AND BOHREN
Certified Public Accountants

August 30, 1976
Martinez, California 94553

CROCKETT-VALONA SANITARY DISTRICT

CONSOLIDATED BALANCE SHEET
June 30, 1976ASSETS

Current Assets:

Cash in County Treasury \$ 53,620.53

Plant and Equipment, at Cost (Note 2):

Land	\$ 1,711.95
Equipment	11,692.21
Sewage Disposal	565,100.49
Garage	8,875.91
	<u>\$ 587,380.56</u>
Less: Allowance for Depreciation	<u>160,715.05</u>
	426,665.51

Deferred Charges:

Bond Election Expense and Cost of Bond Sale	<u>1,431.14</u>
	<u>\$ 481,717.18</u>

LIABILITIES, RESERVES AND SURPLUS

Current Portion of Long Term Obligation \$ 10,000.00

Long Term Portion of Bonded Obligation 130,000.00

Surplus:

Consolidated Operating Surplus	188,790.92
Construction Surplus	<u>152,926.26</u>
	<u>\$ 481,717.18</u>

Note: The accompanying notes and supplemental data are an integral part of these financial statements.

CROCKETT-VALONA SANITARY DISTRICT

CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURES
For the Fiscal Year Ended June 30, 1976

Revenues:

District Taxes:	
Secured	\$ 57,861.59
Unsecured	1,741.13
Paid Assessment	45,681.00
Prior Year	<u>183.31</u>
	\$ 105,467.03

Other Income:

C. & H. Sugar Company	\$ 13,464.00
Homeowners' Property Tax Relief	14,885.94
Business Inventory Tax Relief	380.88
John Swett Unified School District Taxes	1,296.00
Miscellaneous	<u>184.83</u>
	<u>30,211.65</u>

Total Revenues

\$ 135,678.68

Expenditures:

San Pablo Sanitary District Service	
Operations and Nominal maintenance	\$ 47,640.00
Electricity	4,581.75
General Purpose	1,645.70
Water	563.94
Membership	185.00
Telephone	622.62
Travel	329.31
Secretary's Salary	2,400.00
Directors' Fees	2,125.00
Gas - Oil	341.60
Insurance	1,187.29
Printing	302.35
Office Expense	296.91
Professional Services	34,988.45
Operating Expenses	3,748.80
Rent	400.00
Plant Maintenance	5,245.55
Motor Maintenance	320.36
Manhole Location and Adjustments	5,177.16
Bond Interest	<u>6,222.50</u>

Total Expenditures

118,324.29\$ 17,354.39

Note: The accompanying notes and supplemental data are an integral part of these financial statements.

CROCKETT-VALONA SANITARY DISTRICT

STATEMENT OF RECEIPTS AND EXPENDITURES (BY FUND)

For the Fiscal Year Ended June 30, 1976

	Operating Fund	Construction Fund	Bond Retirement Fund	Total
Cash on Deposit with County Treasurer July 1, 1975	\$ 13,073.68	\$ 20,150.00	\$ 13,233.68	\$ 46,457.36
Add: Receipts:				
Secured Tax				
Levy	\$ 45,410.10	\$ -	\$ 12,451.49	\$ 57,861.59
Unsecured Tax				
Levy	1,341.40		399.73	1,741.13
Special Assess- ment	45,681.00			45,681.00
Prior Year	155.15		28.16	183.31
Homeowners' Tax				
Relief	11,758.25		3,127.69	14,885.94
Business Inven- tory Tax Relief	295.04		85.84	380.88
C. & H. Sugar Co.	13,464.00			13,464.00
Miscellaneous &				
Insurance Refunds	184.83			184.83
J. Swett Unified School Dist.				
Taxes	1,296.00			1,296.00
Funds Transfers	(\$ 9,700.00)	\$ 9,700.00		
Total Cash Receipts	\$ 109,885.77	\$ 9,700.00	\$ 16,092.91	\$ 135,678.68
Total Cash Available	\$ 122,959.45	\$ 29,850.00	\$ 29,326.59	\$ 182,136.04
Less: Disbursements				
to Capital &				
Operating Ex- penses	\$ 112,293.01	\$ -	\$ 112,293.01	
Bond Principal			10,000.00	10,000.00
Bond Interest			6,222.50	6,222.50
Total Cash Expend- itures	\$ 112,293.01	\$ -	\$ 16,222.50	\$ 128,515.51
Cash on Deposit with County Treasurer - June 30, 1976	\$ 10,666.44	\$ 29,850.00	\$ 13,104.09	\$ 53,620.53

Note: The accompanying notes and supplemental data are an integral part of these financial statements.

CROCKETT-VALONA SANITARY DISTRICT

STATEMENT OF CHANGES IN SURPLUS
For the Fiscal Year Ended June 30, 1976

	Consolidated Operating Surplus	Construction Surplus
Balance - July 1, 1975	\$ 181,136.53	\$ 181,235.26
Amortization of Deferred Charges		(110.11)
Income in Excess of Expenditures	17,354.39	
Fund Transfers	(9,700.00)	9,700.00
Depreciation (Note 2.)		(37,898.89)
Balance - June 30, 1976	<u>\$ 188,790.92</u>	<u>\$ 152,926.26</u>

Note: The accompanying notes and supplemental data are an integral part of these financial statements.

Heruth and McNeely

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

WILLIAM V HERUTH, C.P.A.

D DEAN MCNEELY, C.P.A.

Harry E. Bohren, C.P.A.

CASTRO AND GREEN STS

P O. Box 390

MARTINEZ, CALIFORNIA 94553

(415) 228-3535

CROCKETT-VALONA SANITARY DISTRICT

FOOTNOTES TO FINANCIAL STATEMENTS

June 30, 1976

Note 1 - Basis of Accounting:

- a) The accounts of Crockett-Valona Sanitary District are kept on a modified accrual basis as practiced by special districts.
- b) Accrued interest outstanding is payable from appropriations of the following year, and is not presented as an accrual liability on the balance sheet.
- c) Fixed Assets are recorded at cost, and depreciation is charged against operations in accordance with Article 8107 of the State Controllers Committee on local Agency Reports.
- d) Deferred charges are written off over the period of the outstanding bonds.

Note 2 - Depreciation Allowance:

Fixed Assets are depreciated in accordance with Article 8107 of the optional depreciation method. The following is a schedule of depreciation charges:

Year	Operating Expenses	Rate	Depreciation Expense
1970-71	\$ 48,105.05	40.00%	\$ 19,242.02
1971-72	53,121.48	38.75	20,584.57
1972-73	63,846.12	37.50	23,942.29
1973-74	70,165.25	36.25	25,434.81
1974-75	96,035.62	35.00	33,612.47
1975-76	112,293.01	33.75	37,898.89
			<u>\$160,715.05</u>

Note 3 - Insurance Coverage:

The following types of insurance coverage were in force at June 30, 1976 (.00 omitted):

- 1 - Comprehensive general liability:
A. Bodily Injury:

- 1) Automobile, \$ 250,000 each person, \$ 500,000 each occurrence.

Note 3 - Insurance Coverage (Continued):

1 - Comprehensive General Liability: (Continued)

A. Bodily Injury: (Continued)

2) Non-Automotive, \$ 250,000 each person, \$ 500,000 each occurrence

B. Uninsured Motorist \$ 15,000/\$ 30,000

C. Property Damage, Auto and Non-Auto, \$ 100,000 each person \$ 100,000 each occurrence

D. Comprehensive Fire, Theft, etc. on 1970 Ford - Collision or upset \$ 100.00 deductible.

2 - Public Official Bond on Arthur Del Agostino - \$ 2,000.

3 - Workman's Compensation Insurance.

4 - Plate Glass Coverage, including Comprehensive Liability.

5 - Fire Insurance policies are endorsed for extended coverage and vandalism and malicious mischief. The face amount of the policy, which contains a 90% average clause at June 30, 1976 was \$ 373,000.

6 - Scheduled property floater \$ 4,000

7 - Complete operations coverage 250,000 each person
500,000 general aggregate

8 - Liability for Personal Injury because of false arrest, et.al.

Note 4 - Assessed Valuation and tax Levy:

The assessed valuation for the district was as follows (.00 omitted):

	<u>1975-76</u>
Secured	\$ 5,174,199
Unsecured	157,120
Utility	<u>682,930</u>
	\$ 6,014,249
Less: Homeowners' and Business Inventory Exemptions	<u>(1,339,434)</u>
	<u>\$ 4,674,815</u>

Note 4 - Assessed Valuation and Tax Levy (Continued):

Tax Levy for the district was as follows:

General Fund:	<u>1975-76</u>
Secured	\$ 1.000
Unsecured	1.000
Bond Interest and Redemption	
Fund:	
Secured	.266
Unsecured	<u>.298</u>
Total Secured	<u>\$ 1.266</u>
Total Unsecured	<u>\$ 1.298</u>

SUPPLEMENTAL DATA
June 30, 1976

Budgetary Procedures:

The budget was prepared, published and adopted in accordance with legal requirements. General budgetary expenditure controls over current expenditures are maintained by the County Auditor-Controller.

Minutes:

The minutes of the Board of Directors appear to be well maintained and reflect essential data relating bids, contracts, authorization and other matters requiring Board Approval.

Revenue:

Property taxes and special assessments levied by the District constitute the bulk of their revenue. These items are deposited to the credit of the General Fund with the County Treasurer and by the County Auditor-Controller. Since July 1, 1950, Contra Costa County has credited 100% of Secured rolls to participating districts under an alternate method of apportioning taxes. Our audit did not indicate the necessity of any adjustments of recorded revenue.

Expenditures:

Internal controls of expenditures were reviewed and were found to be adequate. Expenditures were correct as stated. The District has a contract with San Pablo Sanitary District to provide operation and maintenance of the plant and make Lab. analysis, etc.

U.C. BERKELEY LIBRARIES



C123308644

7704223

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

AUG 15 2024

UNIVERSITY OF CALIFORNIA

